



INITIATIVE FOR CONSERVATION IN THE ANDEAN AMAZON

FY 2013 ANNUAL PERFORMANCE REPORT

Biodiversity, livelihoods, and governance in the Loreto
and Manu-Tambopata Landscapes

1. PROJECT COVER SHEET

1.1. NAME OF THE PROJECT: **Biodiversity, Livelihoods, and Governance in the Loreto and Manu-Tambopata Landscapes**

1.2. DATES (START/FINISH)

AGREEMENT/CONTRACT

9/30/2011 TO 9/29/2016

REPORT PERIOD

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1.3. PRIME PARTNER: Wildlife Conservation Society

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1.7. USAID MECHANISM NUMBER OF AGREEMENT OR CONTRACT:
AID-OAA-A-11-00059

- 1.8. **OVERALL PROGRAM DESCRIPTION:** The Wildlife Conservation Society (WCS), together with the Sociedad Peruana de Derecho Ambiental (SPDA) and the Fondo de las Américas del Perú (FONDAM), proposes to conserve biodiversity, secure rural livelihoods and promote the sustainable use of natural resources in two of the most ecologically important landscapes of the Peruvian Andean Amazon: Manu-Tambopata (encompassing Puno, Cusco, and Madre de Dios; MT) and Loreto (LOR). We will also scale-up the landscape conservation approach to strengthen the national and regional protected area systems. In addition to the three Loreto and Manu-Tambopata Consortium (LMT) partners, the project will draw on the expertise of diverse associate organizations, including Conservation Strategy Fund (CSF), Amazon Conservation Association (ACA) and Fundación Peruana para la Conservación de la Naturaleza (ProNaturaleza). We will scale-up the significant progress made during ICAA1 and the work done by the Consortium during ICAA2 in Peru and Bolivia prior to the expulsion of USAID from the country on May 1st, 2013, to new areas within the Manu-Tambopata landscape, and to an entirely new landscape – Loreto. The Consortium will scale up its impact on forests and biodiversity conservation even further by promoting the adoption of an adaptive management approach at the protected area (PA) system level, reaching the Peruvian National System of Protected Areas (SINANPE), and two critical Regional Conservation Systems: Loreto and Puno. The Consortium will achieve three main goals: 1) Loreto Landscape Managed Sustainably; 2) Manu-Tambopata Landscape Managed Sustainably; and 3) Strengthened Protected Area Systems. These results will be achieved by implementing five strategies: 1) Securing land and resource-use rights and coordinating effective governance systems; 2) Expanding the use of market mechanisms for conservation and sustained poverty alleviation; 3) Building natural resource governance skills and experience; 4) Building strong and effective constituencies for conservation; and 5) scaling-up landscape conservation to the system level by improving effective management of national and regional protected area systems. Conservation investment at the landscape scale is ecologically meaningful and integrates action across multiple land management zones and jurisdictions. However, working at this scale requires developing a common vision and congruent land management plans across local, regional and often national levels; it requires scientific data and analyses at the ecosystem-level; requires both public and private sector (market-based) sources of financial support to sustain management practices over the long-term; and it requires improving policies and strengthening natural resource governance systems. Through the five proposed strategies, the LMT consortium, under WCS's leadership, will address these challenges.

2. ACHIEVEMENTS OVERVIEW

2.1. ICAA INTERMEDIATE RESULTS

2.1.1 IR1 – Selected Landscapes Managed Sustainably

As per the APS and Cooperative Agreement, LMT focuses on ICAA’s Intermediate Result 1 (IR1) “Selected Landscapes Managed Sustainably.” Under IR1, we seek to secure sustainable management of two of the most biodiverse and ecologically important landscapes of the Andean Amazon, LOR and MT. During FY13, we improved management of 1,722,754 hectares of significance for biodiversity and natural resources, and completed 18 policies, laws, agreements, and regulations (PLAR) to help secure lands under conservation management. To do this, we combined many strategies catered to a variety of key stakeholders, including working with national and sub-national PA authorities to strengthen their management, collaborating with indigenous communities to enable their access to legal conservation tools such as Private Conservation Areas (ACP), and partnering with landholders to create and improve management of ACPs.

One focus of LMT is the strengthening of management in PAs as a whole, for example in Pacaya Samiria National Reserve (RNPS) and Tamshiyacu-Tahuayo Community Regional Conservation Area (ACRCTT) in LOR, and Bahuaja Sonene National Park (PNBS) and the Tambopata National Reserve (RNT) in MT. Consortium partners, along with other local NGOs and the Loreto Program for Conservation, Management, and Sustainable Use of Biological Diversity (PROCREL), put together a collaborative action plan to increase local community participation in the management of ACRs in LOR in 2012, and through various meetings, we were able to assure it obtained an important statement of high-priority support by PROCREL in this quarter. Additionally, we are providing financial and technical support for the identification and definition of possible mechanisms under the existing regulation to increase community participation in LOR ACR management. We also provided training to local experts, university students, and management committee members of RNPS, ACRCTT and the Pucacuro National Reserve, on wildlife monitoring in a context of climate change.

Between July and September 2013, with matching funds, we completed the design of the ACRCTT Monitoring Plan, which is awaiting final approval by the Regional Government of Loreto (GOREL), and provided training to ACRCTT technical staff and local communities on community-based wildlife monitoring, based on the spatially explicit monitoring of threats. Also with matching funds, we provided training materials to the Matsés National Reserve on wildlife management and monitoring. We are working with the Peruvian National Protected Areas Service (SERNANP) to amend Presidential Resolution N° 205-2010-SERNANP, which provides guidelines for the establishment of ACRs, in order to overcome some important obstacles in their creation.

In the case of indigenous lands, we worked to secure tenure and legal recognition of lands under conservation management through private conservation strategies. First, LMT

provided technical assistance to the Puerto Prado Indigenous Community in LOR to create an ACP. The technical brief was submitted in this quarter and we are waiting for SERNANP's approval. The Infierno Indigenous Community in Madre de Dios (MDD) also signed a Community Assembly's Agreement with the decision to apply for an ACP within the community land. The application will be submitted to SERNANP in the next few months. We also completed a legal analysis identifying the main obstacles for indigenous communities to secure land titling, and presented it in August 2013 to GOREL and local experts (Att1). Based on two case studies (Santa Teresita in MDD and Libertad in LOR), this analysis will inform the development of an innovative legal tool for indigenous communities to obtain legal recognition of the portion of their (untitled) lands that are under conservation management. These activities were complemented with training workshops and awareness activities to promote private conservation strategies in LOR.

In MDD, LMT uses ICAA2 funds for direct management activities in the 360,000-hectare Los Amigos Conservation Concession (LACC). Its management continues to improve through law enforcement patrols and monitoring surveys carried out during this quarter, which will inform the update of the LACC's 5-year General Management Plan.

Apart from the local management progress in FY13, LMT also made important strides in the strengthening of environmental planning and management at the sub-national level, as well as in addressing impacts of ill-planned infrastructure projects. This last July, we held two important workshops in LOR: the first workshop sought to clarify the competences of regional governments on environmental matters and to show how Regional Environmental Authorities in other regions were created. The second workshop convened key regional authorities to discuss problems of overlapping rights over land and resources, existing legal tools to prevent them, and proposed solutions. Subsequently, a GOREL working group was established to address these issues.

To strengthen environmental management policies and standards for large-scale infrastructure, energy, and extractive industry investments (e.g., EIA, the National Service for Environmental Certification –SENACE, and the Environmental Assessment and Oversight Organism –OEFA), we promoted the incorporation of biodiversity and ecosystem offsets into planning and policy instruments. The draft "Guidelines for the development and implementation of an Environment Offset Plan under the framework of the National Environmental Impact Assessment System (SEIA)" (Ministerial Resolution N° 068-2013-MINAM) and the new regulations on environmental control issues were discussed at an international workshop in July 2013. We also sent legal opinions to two important draft regulations published by OEFA on types of infractions and associated sanctions (Att2), and on voluntary correction of minor contract non-compliances (Att3). Finally, an important achievement of this quarter was the launch of a dialogue platform involving the private sector, NGOs, and public agencies representatives, to discuss the evolving normative framework for EIA and offsets, and increase local capacities to effectively implement them.

A third important area of work of the LMT Consortium to ensure that the LOR and MT Landscapes are sustainably managed is the promotion of sustainable natural resource use and productive activities that directly benefit local livelihoods. To this end, in MDD, we supported the development and approval (by the Regional Direction of Forestry and

Wildlife) of five Annual Operating Plans for Brazil nut harvest in five indigenous communities (all members of the Indigenous Forestry Association in MDD; AFIMAD): Sonene, Boca Pariamanu, Tres Islas, Puerto Arturo, and Palma Real, benefiting 141 indigenous families, and promoting sustainable management and conservation in over 26,000 ha of forested indigenous territory. With matching funds, we also worked with the Santa Rita Community to complete a Tourist Rest Area along the Interoceanic Highway, which is now fully operative. Community members work in shifts and offer high-quality food service to visitors. Also in MDD, a pilot processing unit for Ungurahui palm fruit was completed and equipped in the indigenous community of Tres Islas, and is currently in operation. In LOR, four community-based sustainable fisheries projects started in FY13 (three in this quarter) with support of ICAA2, and a fifth one was supported with matching funds, all in or near priority conservation areas. A solar energy system was installed on the school of an indigenous community, benefitting the community as a whole.

Overall, in these past two years of work, the consortium produced 6 strategic publications that promoted the sustainable use of natural resources and biodiversity conservation in Bolivia, and disseminated over 1,400 copies of these products both in printed and in digital formats. LMT's activities in Bolivia during FY13 were marked by the unexpected expulsion of USAID from Bolivia on May 1st 2013, prompting a rapid closure phase that ended three months later in July 2013. During FY13, we provided technical assistance to the Mancomunidad de Municipios del Norte Paceño Tropical (MMNPT) to develop the first Municipal Integrated Development Plan for the Municipality (MIDP) for Apolo Municipality as a pilot case, and a second MIDP for the Municipality of Teoponte, having incorporated both territorial and watershed perspectives. As a closure process with ICAA's support, the technical team working with the MMNPT presented the final documents to local and regional authorities, the first one in early June 2013 in Teoponte, and the second one in early August 2013 in Apolo. Since both documents were constructed in a participatory way, both were well accepted by the Municipal boards and consequently Municipal bylaws were issued ordering its implementation for the coming 5 years, through 2019 (Ordenanza Municipal #007/2013 for the Municipality of Apolo and Ordenanza Municipal #50/2013 for the Municipality of Teoponte). These Plans were constructed based on the tools and processes developed by the technical team hand in hand with local authorities during these two years' work with ICAA and concurrent funding.

Since May 2013, we did not produce any more publications in Bolivia, but we did produce final versions of documents of political importance such as Municipal Development Plans and memoirs of the gender workshop with the coffee producers in La Paz. Important progress was made with all the activities planned for the second year of ICAA2, and final products were presented before closure of program activities in Bolivia, as per the approved Closure Plan. Remaining activities for the coming years that were originally planned with our local partners had to go through early closure of ICAA support. Given WCS's long term commitment with our local partners in Northern La Paz, Bolivia, and thanks to the support of private donors, fortunately all activities did not have to end abruptly. We were able to reprogram most of these activities for implementation in the near future.

2.1.2 IR2 - Key Elements of Natural Resources Governance Functioning in Critical Landscapes

Some of the activities and outcomes of LMT that, as per our Cooperative Agreement, were designed to contribute to IR1, also contribute to IR2.

For example, in Loreto and with the objective of improving regional planning for a more sustainable use of land and natural resources, we continued empowering Loreto's civil society in the use of the mechanisms available to actively participate on environmental decision making of regional and local authorities by holding a workshop with multiple stakeholders in August 2013.

Additionally, in order to improve GOREL's capacities to monitor deforestation and forest degradation, we shared and discussed with them an analysis report on the experience of those countries that have worked on deforestation monitoring. The analysis report and the discussion seek to inform GOREL planning strategies, forest zoning and land, and the development of a regional Reduced Emissions, Deforestation, and Degradation (REDD+) strategy. The importance of monitoring deforestation and forest degradation for overall regional planning is highlighted, breaking the myth that these tools are only necessary for specific REDD + project.

In Manu-Tambopata, WCS partnered with and provided technical support to the Mancomunidad de Municipios de la Amazonia de Puno (MMAAP), to promote a joint initiative with the Puno Regional Government, the Ministry of Foreign Affairs, and the European Union. The initiative seeks to promote transboundary cooperation and integration of the municipal associations MMAAP in Puno, Peru, and MMNPT in Northern La Paz, Bolivia, and it was launched in September 2013 with a multi-stakeholder workshop in Puno.

2.1.3 IR3 – Increased Capacity to Utilize PES-like and other Economic Incentive Programs

Some of the activities and outcomes of LMM that, as per our Cooperative Agreement, were designed to contribute to IR1 will also contribute to IR3.

For example in Bolivia, in FY13 and until the end of April, LMT continued working intensively with local partners, MMNPT, on supporting community production enterprises with three strategic non-timber forest products in the Bolivian Madidi region (coffee, cacao and incense) and with other initiatives such as community tourism with Takana communities. Important achievements include securing additional funds for these enterprises from national and international sources, such as the Indigenous Fund managed by the Bolivian Government and HELVETAS Swiss Intercooperation. As a result, the cacao management plan, and the cacao and tourism business plans completed with USAID/ICAA support in FY13, will not be completely abandoned. With support from other donors, we expect to complete validation and final approval of these documents by

local indigenous and government authorities, to start their implementation within the next 12 months.

We also continued working with the Ministry of Agriculture (MINAG)'s Compensation for Competitiveness Program (AGROIDEAS) and the Forestry and Wildlife National Authority (DGFFS), to incorporate some forest users (e.g. Brazil nut harvesters) in the AGROIDEAS' program of financial and economic support. In this quarter, they completed terms of reference for the development of a beneficiaries assessment protocol.

In Loreto, WCS continues to develop two economic incentive projects in the Samiria watershed, one devoted to the certification of peccary hides and the other to the certification of freshwater turtles. These certification schemes would assure the integrated management not only of the commercial wildlife but the ecosystem as a whole, while also securing a sustainable supply of bush meat for local communities involved.

2.1.4 IR4– Greater Understanding and Solutions for Key Environmental Issues

LMT considers scientific and applied research critical for informing sound decisions on landscape and natural resource-use management, and for devising effective ways (mechanisms, tools, approaches, etc.) to address threats to Amazon Andes biodiversity and forests, and to the livelihoods of the inhabitants of this region. In this sense, some of the activities and outcomes of LMT that, as per our Cooperative Agreement, were designed to contribute to IR1 will also contribute to a greater understanding and solutions for key environmental issues (IR4).

LMT partnered with ICAA Support Unit's Program "Economic Incentives for Conservation" to integrate environmental and economic values of ecosystem services and biodiversity assessments into strategy and planning efforts towards the sustainable development of the Loreto Region. In August 2013, we reached agreements with GOREL and the Ministry of Environment (MINAM) to implement this initiative, which will also be developed in alliance with existing civil society platforms. As part of this initiative, we also completed the design of the study for the forest's standing value, and the study was presented to PROCREL, GOREL, and MINAM (August 2013). Data collection activities started soon after. ACRCTT is used as a case-study.

In FY13, we completed a second rapid biological inventory inside the Bahuaja Sonene National Park, in Puno, Peru. During this quarter, the team has been analyzing the data and preparing it for dissemination to target audiences. We expect to complete this phase by the second quarter of FY14. Participating in the inventory were 8 experts and 22 researchers, which included entomologists, mammalogists, botanists, ornithologists and ichthyologist as well as students from local universities. Preliminary findings indicate important discoveries in herpetology; such as the presence of two species of amphibians previously not reported in Peru, the increase in range of one species, and a possible new register. These findings will help solidify the position of the BSNP as one of the most

valuable protected areas in the Peruvian National Protected Areas System, as well as making the unvisited Amazonian areas of Puno (where 70% of this protected area is found) known to a wider audience as the home of a vast reserve of biodiversity.

2.1.5 Support Unit Services

N/A

2.2 CROSS-CUTTING THEMES AND USAID KEY ISSUES

2.2.1 Improve Policies and Policy Implementation

Improving policies and policy implementation is critical for securing long term sustainable management of landscapes. Over this period (1 October 2013 – 30 September 2013), we contributed to create, improve or implement 18 policies, laws, agreements, and regulations. We also held 44 dialogue events with participation of 1082 representatives of key stakeholder institutions.

A few highlights are included below:

During this year, illegal mining continued to be in the center of the debate. Therefore, LMT continued supporting the implementation of Legislative Decree N° 1100 on illegal mining interdiction actions. We participated in several meetings to explain the content of this decree and other associated regulations, especially in MDD. We also prepared a legal analysis report on Supreme Decree N° 032-2013-EM, to clarify that new deadlines set for the formalization process do not affect the validity of the Legislative Decree N° 1100, and thus interdiction actions must not be suspended.

We also continued strengthening Peruvian environment management policies and standards for large-scale infrastructure, energy, and extractive industry investments, including the incorporation of biodiversity and ecosystem offsets into planning and policy instruments. Please see section IR1 for further detail.

In Bolivia during FY13, LMT provided technical support for local partners to complete Municipal Integrated Development Plans for the Apolo and Teoponte municipalities in Northern La Paz. After the end of USAID/ICAA support to this initiative, we were able to secure additional funding from European sources to continue providing assistance to this initiative, with a focus on sustainable productive activities under agroforestry systems.

2.2.2 Increase Gender Awareness and Gender-related Program Outcomes

Over FY13, and as a result of different venues such as workshops, staff training and informational meetings organized by ICAA Support Unit and WCS to introduce and

integrate gender issues into all LMT activities, members of the consortium have been able to incorporate a gender focus in different degrees into their agendas. Using an action plan for guidance purposes, we ensured that partners effectively incorporated a gender focus in the overall and institutional work plans.

In Bolivia, through the end of USAID/ICAA support of activities in this country, cross-cutting activities promoting gender equality and women's empowerment were incorporated in all productive projects supported by ICAA. This included initial workshops with productive associations in order to raise awareness on the role women play along the processing and production chain of the different products being marketed, especially cacao and coffee. We applied a methodology created by Zulema Lehm, which was tested with the coffee association Asociación de Productores de Café Ecológico Regional Larecaja (APCERL), and adjusted accordingly. Ms. Lehm will systematize the experience with the coffee producers of APCERL to contribute to the ICAA Gender Manual, which will be published in Peru. We also made important efforts to include the gender perspective in our work with partners such as the MMNPT when designing the methodology for municipal planning, as well as with CSF when designing the business proposals for productive initiatives in northern La Paz.

In Peru, FONDAM's project awardees are required to explicitly incorporate a gender approach in their project designs. To this end, FONDAM ensured to provide appropriate training to applicants and to include the inclusion of a gender approach as one of the selection criteria.

Institutionally, partners continued to make strides in incorporating the gender focus into their day to day activities. FONDAM hosted a capacity-building workshop in March 2013, "*Gender Equity in Conservation Projects*" led by ICAA Support Unit's Gender Specialist, Montserrat Blanco. A direct result of this workshop was a workplan for the development of an institutional gender policy. In addition, Zulema Lehm gave in May 2013 a talk on intervention strategies with a gender focus in conservation programs inside PAs at the WCS office in Iquitos (Loreto) in May, and facilitated in September a workshop for the development of a WCS institutional gender policy. SPDA also made important progress in FY13 to complete its institutional gender equity policy, which is currently being revised and improved based on lessons learned in the ISU Gender Workshop of September 2013. Both WCS and FONDAM are also revising their institutional gender policies based on the lessons from this workshop.

2.2.3 Strengthening of Selected Regional Organizations and Institutions

N/A

2.2.4 Improve Region-wide Capacity for Conservation Through Training

N/A

2.2.5 Increase Indigenous Peoples' Participation

The LMT consortium has a strong history working with indigenous organizations, particularly in Bolivia where WCS has worked with indigenous organizations for over 12 years, broadening this approach to include non-indigenous communities in order to build resilient conservations constituencies in the landscape. Before expulsion of USAID from Bolivia, WCS veterinarian Rodolfo Nallar, with ICAA2 funds, worked closely with the Indigenous Council of the Tacana People (CIPTA) to prepare a control and vigilance manual and protocol to be applied at the Communal Origin Land (TCO) in order to avoid and expel new colonization events, considering the imminent effect of pavement of the main road cutting across their indigenous territory (road San Buenaventura to Ixiamas).

Additionally, in Bolivia and with matching funds, WCS has been working with local authorities and stakeholders such as Municipalities and grassroots organizations such as the Indigenous Council of the Lecos de Apolo People (CIPLA), CIPTA and the Regional Council of the Tsimane Monsetene Pilon Lajas (CRTM) on the implementation of integrated monitoring systems of the Life Plans in indigenous Lands and Management Plans in Protected Areas of the Landscape. Out of these two-years work (FY12, FY13), most important is the production and socialization of several regulation documents which will result in improving their administration skills as well as the design and monitoring and evaluation system for the Lecos Apolo Life Plan.

In Peru, five out of the nine projects supported by LMT through FONDAM take place in indigenous communities, encouraging indigenous participation in conservation and sustainable natural resource use projects. Consequently, in MDD, LMT now involves several Matsigenka communities in a tourism project in the Manu Biosphere Reserve, and five Ese'ejja communities in improved Brazil nut management projects. In Loreto, LMT now involves the participation of 24 Achuar indigenous communities in agroforestry activities; two Quechua communities in sustainable fishery projects in the lower Putumayo; one Yagua community in sustainable fishery project in the lower Yavari-Miri; and several Cocama-Cocamilla and *ribereño* communities in the Tamshiyacu and Tahuayo watersheds around the ACRCTT.

During this period we worked with the following indigenous groups in the Andean Amazon:

X	Amahuaca	<input type="checkbox"/>	
<input type="checkbox"/>	Cashinahua	<input type="checkbox"/>	Cacataibo
<input type="checkbox"/>	Culina	<input type="checkbox"/>	Yanesha
<input type="checkbox"/>	Mastanahua	<input type="checkbox"/>	Siona
<input type="checkbox"/>	Piro	<input type="checkbox"/>	Cofán
<input type="checkbox"/>	Sharanahua	X	Ese' ejja
<input type="checkbox"/>	Asháninka	<input type="checkbox"/>	Amarakaeri

<input type="checkbox"/>	Yaminahua	<input type="checkbox"/>	Arazaeri
<input type="checkbox"/>	Harakmbut	<input type="checkbox"/>	Huachipaeri
X	Machiguenga	<input type="checkbox"/>	Sapitieri
X	Shipibo	<input type="checkbox"/>	Toyoeri
<input type="checkbox"/>	Isconahua	<input type="checkbox"/>	Pukirieri
<input type="checkbox"/>	Shuar	X	Quechua,
			Aymara
<input type="checkbox"/>	Kichwa	<input type="checkbox"/>	
<input type="checkbox"/>	Secoya	<input type="checkbox"/>	Shipibo
		<input type="checkbox"/>	Otros:

2.2.6 Climate Change - Adaptation

To address the global issue of climate change, WCS Loreto, as part of the LMT Consortium, is monitoring wildlife to see the potential impact of fluctuations of the river level on the populations of priority conservation species in the Samiria watershed. Two reports have been prepared and shared for discussion with the RNPS authorities and other key Loreto stakeholders, at workshops carried out in this fiscal year.

2.2.7 Climate Change (Sustainable Landscapes, REDD+)

In fiscal year 2013, LMT directly contributed to USAID ICAA II's objectives (to reduce rates of deforestation and biodiversity loss, enhance key aspects of natural resource governance, and increase livelihood quality and sustainability) by promoting the sustainable management and maintenance of forest cover in two landscapes: Loreto and Madidi-Manu. Over this year, LMT directly contributed to conserve native ecosystems of over 1 million hectares of forests in the Loreto Landscape, the Manu-Tambopata Landscape, and in northern La Paz (formerly part of the consortium's southernmost transboundary landscape). However, the landscapes themselves are much larger and our efforts strategically contribute to maintaining the ecological integrity of two huge landscapes totaling almost forty seven million hectares.

3. NETWORKING AND SYNERGY

3.1. ANDEAN AMAZON LEVEL

Transboundary activities between Peru and Bolivia were significantly affected during this fiscal year. However, the reprogramming proposal incorporates collaboration among the Peru, Colombia and possibly Ecuador PA authorities, specifically on strengthening protected areas management with an adaptive management approach. These activities will be implemented in the next three years of the project.

3.2. NATIONAL LEVEL

Our consortium continued participating in the process of Peruvian environment management policies and standards for large-scale infrastructure, energy, and extractive industry investments. This included providing technical support and facilitating dialogue events and workshops focused on the licensing process, improvements to the environmental impact assessment process, and strengthening OEFA and SENACE. Over this time, we emphasized the importance of incorporating biodiversity offsets into planning and policy instruments. For this, we collaborated closely with CSF, Forest Trends, The Nature Conservancy, and other local NGOs, as well as with MINAM, OEFA. We are members of and had a leadership role in the Consultant Commission to develop a proposal of standards and mechanisms (legal, institutional, technical and financial) for environmental offsets guidelines. Most recently, LMT has made important efforts to take the information and lessons learned from this process to the Loreto and MDD regions. We expect to continue these efforts over the third year of the project.

We are also closely collaborating with SERNANP, the Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE), and Alianza Andes Tropicales, to systematize the process of preparation of management plans for eight national protected areas, and produce three manuals on preparation, implementation, and evaluation of management plans, with an adaptive management approach. This process will take place over the next 18 months.

3.3. SUB NATIONAL LEVEL

As our landscapes boundaries are designed to coincide mostly with political boundaries at the departmental or municipal level, please see section 3.4 for reference to synergies built at the subnational level. These refer mostly to the Loreto, MDD, and Puno regions in Peru, and to the La Paz and Pando departments in Bolivia.

3.4. LANDSCAPE LEVEL

At either landscape, Loreto or Manu-Tambopata, our partner institutions work with other organizations to create synergies and scale up the impact.

In Loreto, we work with PROCREL to strengthen management of ACRCTT and other regional conservation areas; with SERNANP to strengthen management of national protected areas; we also promote coordination among both government agencies. In addition, we closely work with the Regional Authority for Production (DIREPRO) in fishery ordering and development; the Regional Forestry Program and Natural Resource Management Direction on forestry, wildlife, and climate change issues, and with the Planning Office on land use planning and infrastructure. Other important public partners include MINAM and Institute for Peruvian Amazonian Research (IIAP). Civil society partners include Instituto para el Bien Común (IBC), Amazónicos para la Amazonía (AMPA), Fundación Latinoamericana para el Trópico Amazónico (FUNDAMAZONIA), BIOSELVA, and Derecho Ambiente y Recursos Naturales (DAR), among others.

We support multiple-stakeholder, private-public coordination platforms, including the REDD+ Round table; the Regional Environmental Commission (CAR); and the Loreto Sustainable Development Forum.

In Manu-Tambopata, the LMT Consortium also works closely with the MDD and Puno Regional governments and their critical agencies, as well as SERNANP and MINAM. Partner and colleague civil society organizations include AFIMAD, Asociación para la Investigación y Desarrollo (AIDER), Comercio Alternativo de Productos Tradicionales y Desarrollo en Latinoamérica Perú (CANDELA PERU), Fundación Cayetano Heredia, Rainforest Alliance, World Wildlife Fund (WWF), and University of Florida in MDD, and MMAP and the Central de Cooperativas Agrarias Cafetaleras de los Valles de Sandia (CECOVASA) in Puno. In Puno, we also work closely with municipal governments within the Sandia and Carabaya provinces.

3.5. OTHERS

N/A

4. IMPACT OF LEVERAGED RESOURCES

In this reporting period, reported cost share reached US\$ 1.36 million and project leveraged resources complemented ICAA activities towards sustainable landscapes through their support to: (1) strengthening national and subnational protected areas and protected area systems both in Peru and Bolivia; (2) enabling critical applied research on biodiversity and ecosystems functions; (3) securing local livelihoods based on sustainable economic activities; (4) improving environmental governance; and (5) fostering alliances and partnerships to advance sustainable landscape management and conservation objectives. Highlights of this complementing role of leveraged resources are listed below, and for further detail please see Table 5.

- The Gordon and Betty Moore Foundation (GBMF) cost share resources complemented ICAA's efforts to strengthen management of protected areas and indigenous territories (e.g., ACRCTT, PSNR, Pilon Lajas) and to strengthen protected area systems (mainly PROCREL and SERNANP in Peru).
- GBMF also provided critical complementary funding to promote increased participation of local communities in the management of Loreto Regional Conservation Areas, and to support other conservation strategies in Peru. The John T. and Catherine D. MacArthur Foundation and the Blue Moon Fund also complemented these efforts.
- Cost share funds provided by partner ACA supported control and vigilance, and flora and fauna monitoring activities in the Los Amigos Conservation Concession in MDD, protecting the main fluvial gateway to the concession and collecting important information for the concession management plan.
- In terms of improving local livelihoods through sustainable economic activities, FONDAM partners also contributed with over US\$ 130,000 of cost share for

sustainable Brazil nut harvest in MDD, and sustainable agricultural projects with four local associations.

- The LMT consortium also leveraged funds to address challenges of ill-planned large scale infrastructure projects and to strengthen Peruvian policies and standards in this area (e.g., building civil society consensus and proposals to strengthen SENACE with support of GBMF), the Inambari Dam in southeastern Peru and the San Buena Ventura – Ixiamas road in Bolivia).
- Finally, GBMF provided also critical support for WCS to face the challenges associated with the expulsion of USAID from Bolivia. Their flexibility and understanding of WCS's long term commitment with our landscapes was critical to significantly reduce the impact of the abrupt end of USAID support to the Bolivia portion of the project.

5. PERFORMANCE MANAGEMENT PLAN

With the reprogramming proposal approved in September 2013, which the Consortium made in response to the expulsion of USAID from Bolivia, the Performance Management Plan was revised to account for reduced targets in Bolivia and adjusted activities in Peru. We reviewed our previous life of project commitments for each of the shared indicators we have committed to reporting on as a consortium. With the reprogramming proposal, we will no longer report on Indicator 2. Our commitment, with the reprogramming proposal, has decreased for Indicator 3, Indicator 7, POL-2, POL-3, and CAP-2. However, our commitments to Indicator 1, Indicator 8, POL-1, and CAP-3 have increased. Finally, to avoid confusion, for all indicators we have also provided yearly totals which are not cumulative (see Table 1 and Annex C for revised PMP).

6. SUCCESS STORIES

In the neighboring communities to the ACRCTT, an area of 1,038,040 acres of rainforest in Loreto, Peru, 152 communal guards control the lakes and forest against outside commercial hunters and fishermen. This community-based law enforcement effort also contributes to ensure food security and access to natural resources for approximately 18 ribereño communities who rely largely on the reserve's fish and game for their subsistence.

The SPDA Pro Bono Legal Clinic successfully completed one of its emblematic cases: the annulment of Regional Executive Resolution No. 341-2012-GOREMAD-GRRNYGMA/DRFFS due to irregularities in the granting of an ecotourism concession in favor of Estanislao Lucho Huamán Ibarra. Legal support was provided to the residents of "Primavera Alta," who denounced the holder of the concession for intending to carry out illegal mining in the concession area, near the Tambopata National Reserve.

In January 2013, LMT led a civil society request to the Ministry of Agriculture (MINAG) asking to extend the deadline for the dissemination of the National Forestry and Wildlife Policy's proposal, in order to assure that a proper, transparent and participatory process had

been performed. This allowed significant changes in the sector, highlighting: the adoption of a National Forestry and Wildlife's Policy, the regulation of the National Service for Forestry and Wildlife (SERFOR), and the publication of the first version of the Forest and Wildlife Law's regulations, Law N° 29763.

7. ENVIRONMENTAL COMPLIANCE

The Environmental Threshold Decision (LAC-IEE-2-56) for our Cooperative Agreement was issued on 13 September 2012, and we worked to complete Environmental Management Review forms for those activities requiring them. With the need to reprogram activities as a consequence of the premature end of USAID/ICAA support to activities in Bolivia, and the award of nine new projects by partner organization FONDAM, we need to complete and obtain approval for new EMR forms for these new activities. We expect to complete this process by the end of year 2013.

8. SUMMARY

8.1 ACHIEVEMENTS

- FONDAM awarded eight projects, five of which are being implemented, one just signed the contract, and three others are finalizing their action plans. Besides contributing to the sustainable management of the two landscapes, this process is key to strengthening capacities of local organizations to manage complex projects with USAID funding (Att4).
- Community-based control and vigilance strengthened near the ACRCCTT, with 24-hour presence in control posts and participation of a total of 152 community members, who enforce community rules on sale quotas of natural resources such as palm leaves, palm fruits, bush meat, and fish.
- The technical brief for the creation of a private conservation area in the Puerto Pardo indigenous community in Loreto was submitted to SERNANP and is awaiting final approval. Once approved, it will be the first ACP created in indigenous lands in Peru.

8.2 CHALLENGES AND ADJUSTMENTS

Since the Bolivian government officially communicated its decision to expel USAID from the country in early May 2013, we rapidly assumed adequate measures to inform all partners in order to plan for early closure of activities in Northern La Paz. By early June, the closure plan was approved and under implementation. By July 2013, all our partners had followed their closing plans and presented final products, as planned. In addition, we made important efforts to adjust to this situation by reprogramming funds from Bolivia to Peru, which allowed the inclusion of a new strategy in the project: strengthening protected

area systems in Peru. This process consumed important effort from the project leadership during the last two quarters of FY13.

The government interdiction efforts against illegal mining in MDD caused rejection reactions among the miners in the region, leading to strikes and threats that resulted in unsafe conditions for the implementation of certain activities. Thus, SPDA has temporarily closed its office in the region, delaying the execution of specific activities originally programmed for September 2013.

9. ANNEXES

- 9.1 Annex A – List of Acronyms
- 9.2 Annex B – Maps Indicators 1 and 2
- 9.3 Annex C – Revised PMP

10. IMPLEMENTATION DETAILS

The following tables are included in the attached excel file:

- 10.1 TABLE1. Targets and Achievements Table – ICAA-wide Indicators (Excel file).
- 10.2 TABLE 2.Funding Level
- 10.3 TABLE 3. Targets and Achievements Table – Partner Indicators
- 10.4 TABLE 4. Activity Description
- 10.5 TABLE 5. Funding Sources

11. ATTACHMENTS

- 1. Attachment 1. Legal analysis of identified conflicts and issues in the Native Communities of Libertad (Loreto) and Santa Teresita (MDD)
- 2. Attachment 2. OEFA - Types of Infractions and Associated Sanctions
- 3. Attachment 3. OEFA - voluntary Correction of Minor Non-Compliances
- 4. Attachment 4. FONDAM's recently approved projects under the ICAA2/LMT project

ANNEX A. ACRONYMS

ACA	Amazon Conservation Association
ACR	Regional Conservation Area or Area de Conservación Regional
ACRCTT	Tamshiyacu Tahuayo Communal Regional Conservation Area (Peru)
AFIMAD	Asociación Forestal Indígena Madre de Dios (Peru)
AGROIDEAS	Compensation for Competitiveness Program, Ministry of Agriculture and Irrigation, or Programa de Compensación para la Competitividad del Ministerio de Agricultura y Riego (Peru)
AIDER	Asociación para la Investigación y el Desarrollo (Association for Research and Development)
AOR	Agreement Office Representative
ACP	Private Conservation Areas, or Areas de Conservación Privada
AMPA	Amazónicos por la Amazonía or Amazonians for the Amazon
APCERL	Larecaja Regional Association of Coffee Growers, or Asociación de Productores de Café Ecológico Regional Larecaja (Bolivia)
AVISA	Ayuda para Vida Silvestre Amenazada Sociedad Zoológica de Francfort (Peru)
BIOSELVA	Association Bioselva (Peru)
CANDELA PERU	Comercio Alternativo de Productos Tradicionales y Desarrollo en Latinoamérica Perú or Alternative Commerce of Traditional Projects and Development in Latin America, Peru
CAR	Regional Environmental Commission (Loreto, Peru)
CECOVASA	La Central de Cooperativas Agrarias Cafetaleras de los Valles de Sandia (Association of Agrarian Coffee Producer Cooperatives of the Valleys of Sandia)
CIPLA	Indigenous Council of the Lecos de Apolo People (Bolivia)
CIPTA	Indigenous Council of the Tacana People (Bolivia)
COR	Contract Office Representative
CRTM	Regional Council of the Tsimane Monsetene Pilon Lajas
CSF	Conservation Strategy Fund
DAR	Derecho Ambiente y Recursos Naturales (Peru)
DGFFS	Forestry and Wildlife National Authority (Peru)

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DIREPRO	Dirección Regional de la Producción (Peru)
EIA	Environmental Impact Assessment
FONDAM	Fondo de las Américas del Perú (Peru)
FUNDAMAZONIA	La Fundación Latinoamericana para el Trópico Amazónico (Peru)
FY13	Fiscal Year 2013 (October 2012 – September 2013)
FY14	Fiscal Year 2014 (October 2013 – September 2014)
GBMF	Gordon and Betty Moore Foundation
GOREMAD	Madre de Dios Regional Government or Gobierno Regional de Madre de Dios (Peru)
GOREL	Loreto Regional Government or Gobierno Regional de Loreto (Peru)
GOREPUNO	Puno Regional Government or Gobierno Regional de Puno (Peru)
IBC	Instituto para el Bien Común o Institute for the Common Good
ICAA	Initiative for the Conservation of the Andean Amazon
IIAP	Institute for Peruvian Amazonian Research
InVEST	Integrated Valuation of Ecosystems Services and Tradeoffs Software
IR	Intermediate Result
LACC	Los Amigos Conservation Concession
LMT	Loreto and Manu-Tambopata Consortium
LOR	Loreto Landscape
MDD	Madre de Dios Department (Peru)
MIDP	Municipal Integrated Development Plan
MINAG	Ministry of Agriculture (Peru)
MINAM	Ministry of Environment (Peru)
MMAP	Association of Municipalities of the Puno Amazon, or Mancomunidad de Municipios de la Amazonia de Puno (Peru)
MMNPT	Association of Municipalities of northern La Paz or Mancomunidad de Municipios del Norte Paceño Tropical (Bolivia)
MT	Manu-Tambopata Landscape
NGO	Non-governmental Organization

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NTFP	Non-timber Forest Products
OEFA	Environmental Assessment and Oversight Organism, or Organismo de Evaluación y Fiscalización Ambiental (Peru)
PA	Protected Area
PES	Payments for Ecosystem Services
PLAR	Policies, Laws, Agreements, and Regulations
PMP	Performance Management Plan
PNBS	Bahuaja Sonene National Park or Parque Nacional Bahuaja Sonene (Peru)
PPB	Proyecto Perú Bosques
PRFFS	Loreto Regional Government's Forestry and Wildlife Management Program, or Programa Regional de Manejo de Recursos Forestales y Fauna Silvestre del Gobierno Regional de Loreto (Peru)
PROCREL	Loreto Regional Conservation Program, or Programa de Conservación de la Región Loreto (Peru)
PROFONANPE	Peruvian Trust Fund for National Parks and Protected Areas
ProNaturaleza	Fundación Peruana para la Conservación de la Naturaleza (Peru)
REDD+	Reduced Emissions, Deforestation and Degradation
RNPS/PSNR	Pacaya Samiria National Reserve
RNT/RNTAMB	Reserva Nacional Tambopata
SEIA	Environmental Impact Assessment System or Sistema de Evaluación de Impactos Ambientales
SENACE	National Environmental Certification Service for Sustainable Investment, or Servicio Nacional de Certificación Ambiental para las Inversiones Sostenibles (Perú)
SERFOR	National Service for Forestry and Wildlife (Peru)
SERNANP	National Peruvian Service of Natural Protected Areas or Servicio Nacional de Areas Naturales Protegidas
SINANPE	Peruvian National System of Protected Areas or Sistema Nacional de Areas Naturales Protegidas por el Estado
SMART	Spatial Monitoring and Reporting Tool
SPDA	Sociedad Peruana de Derecho Ambiental (Peru)
SU	Support Unit

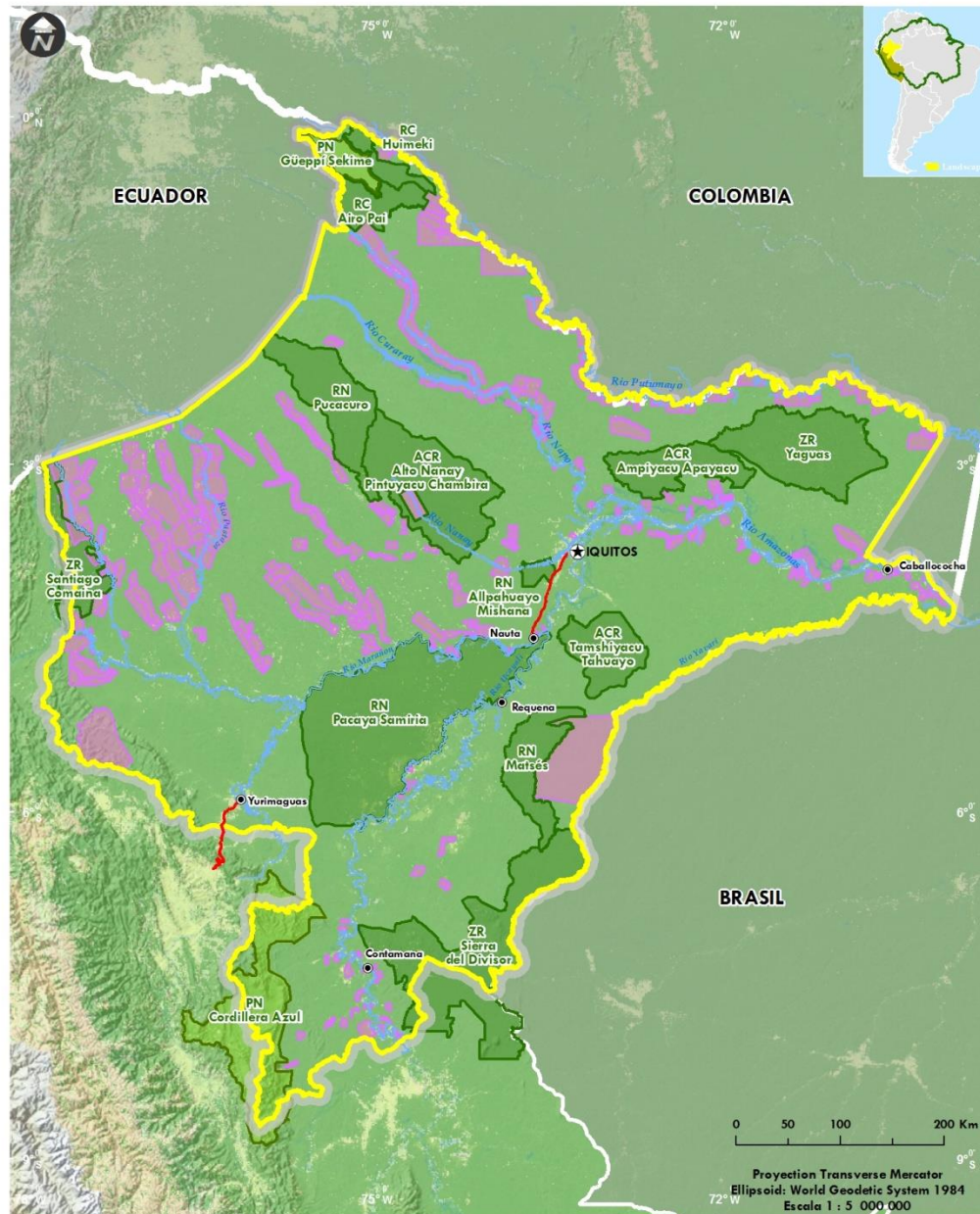
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TCO	Communal Origin Land o Tierras Comunitarias de Origen
TEEB	The Economics of Ecosystems and Biodiversity Initiative
USAID	United States Agency for International Development
WCS	Wildlife Conservation Society
WWF	World Wildlife Fund

ANNEX B. LANDSCAPE MAPS

Map1. The Loreto Landscape

LORETO LANDSCAPE

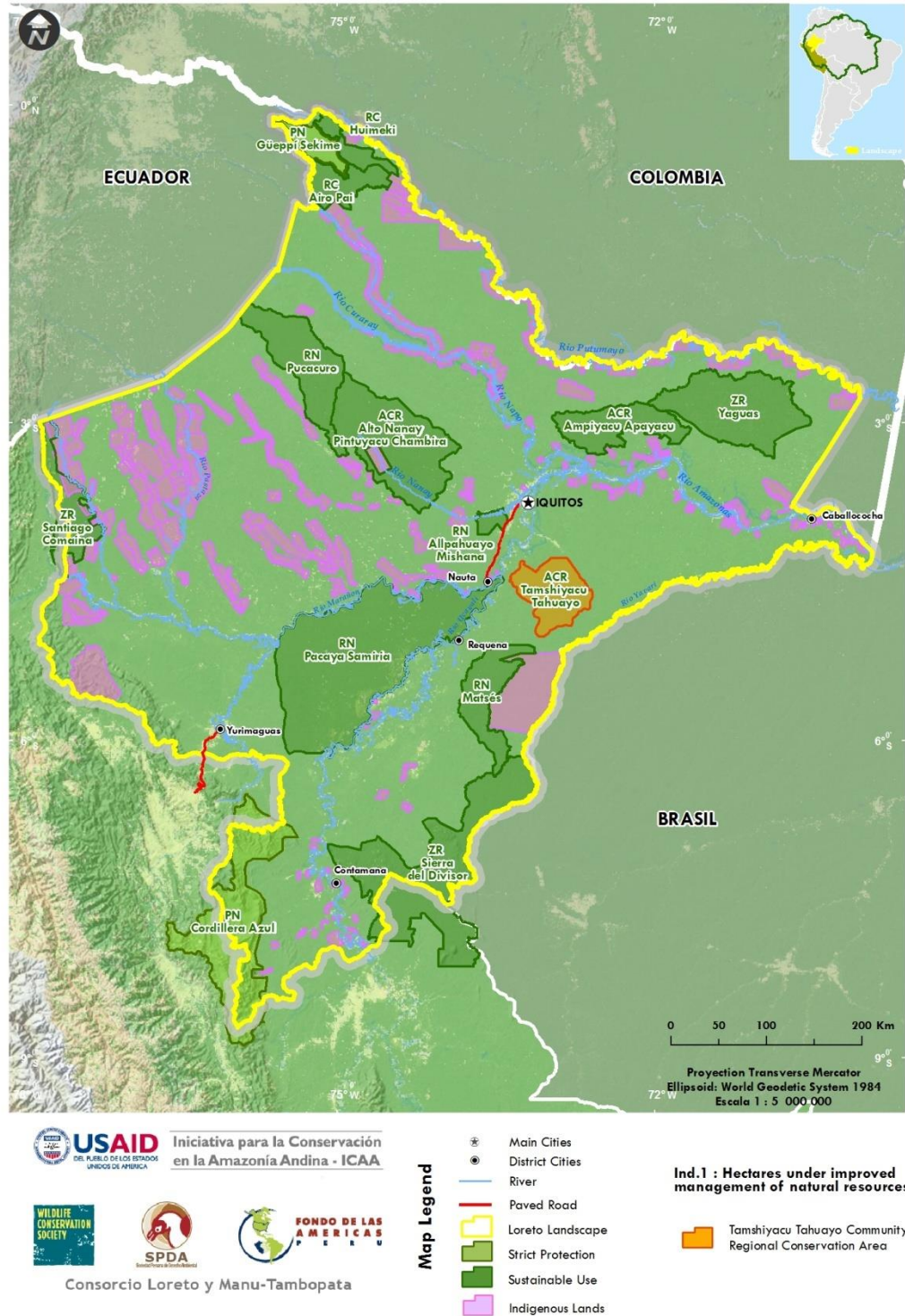


Map Legend

- * Main Cities
- Provincial Cities
- River
- Paved Road
- Loreto Landscape
- Strict Protection
- Sustainable Use
- Indigenous Lands
- International Boundary

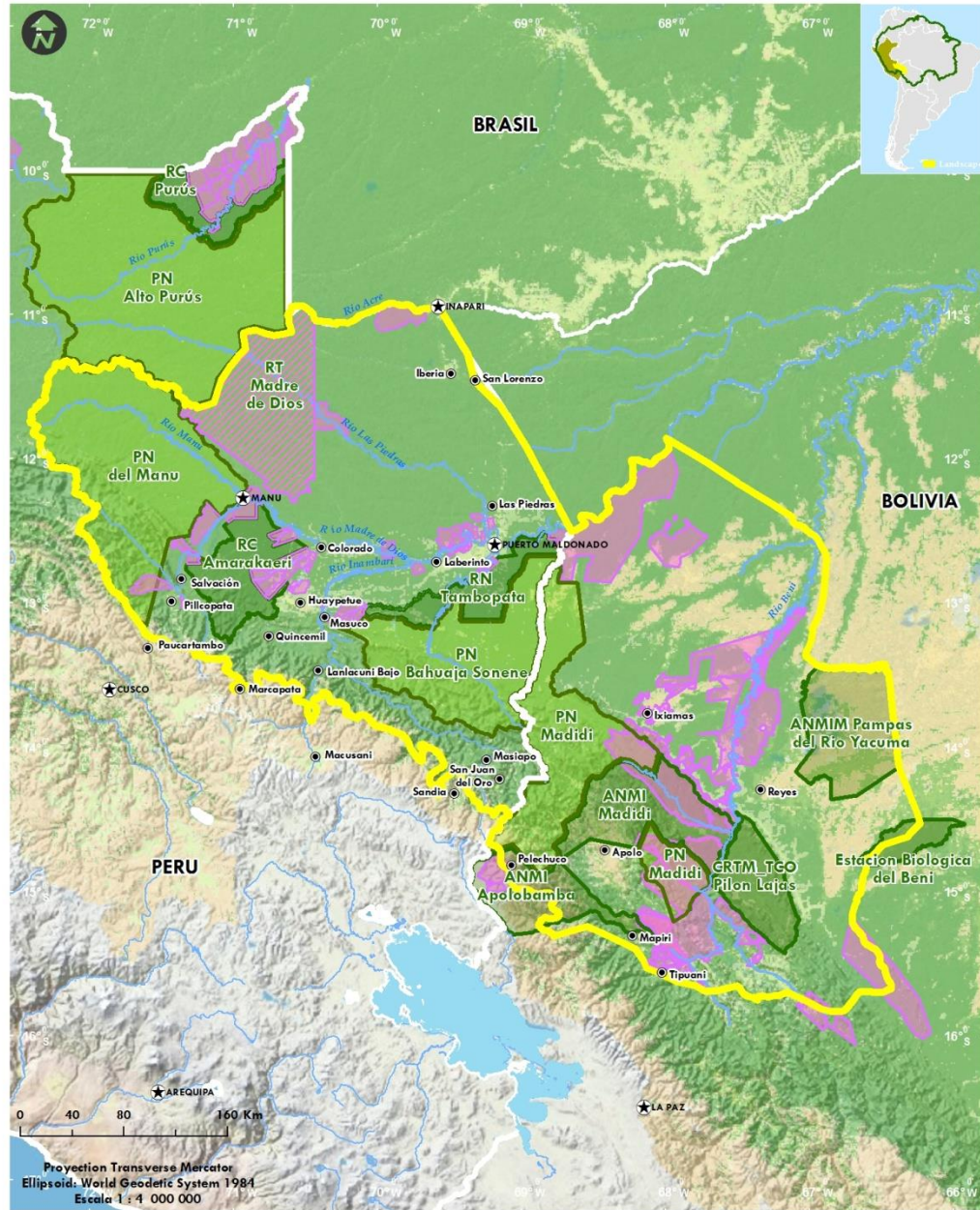
Map2. The Loreto Landscape with Indicator 1

LORETO LANDSCAPE - FY13 REPORTED AREAS (IND. 1)



Map3. The Madidi-Manu Landscape

MADIDI MANU LANDSCAPE



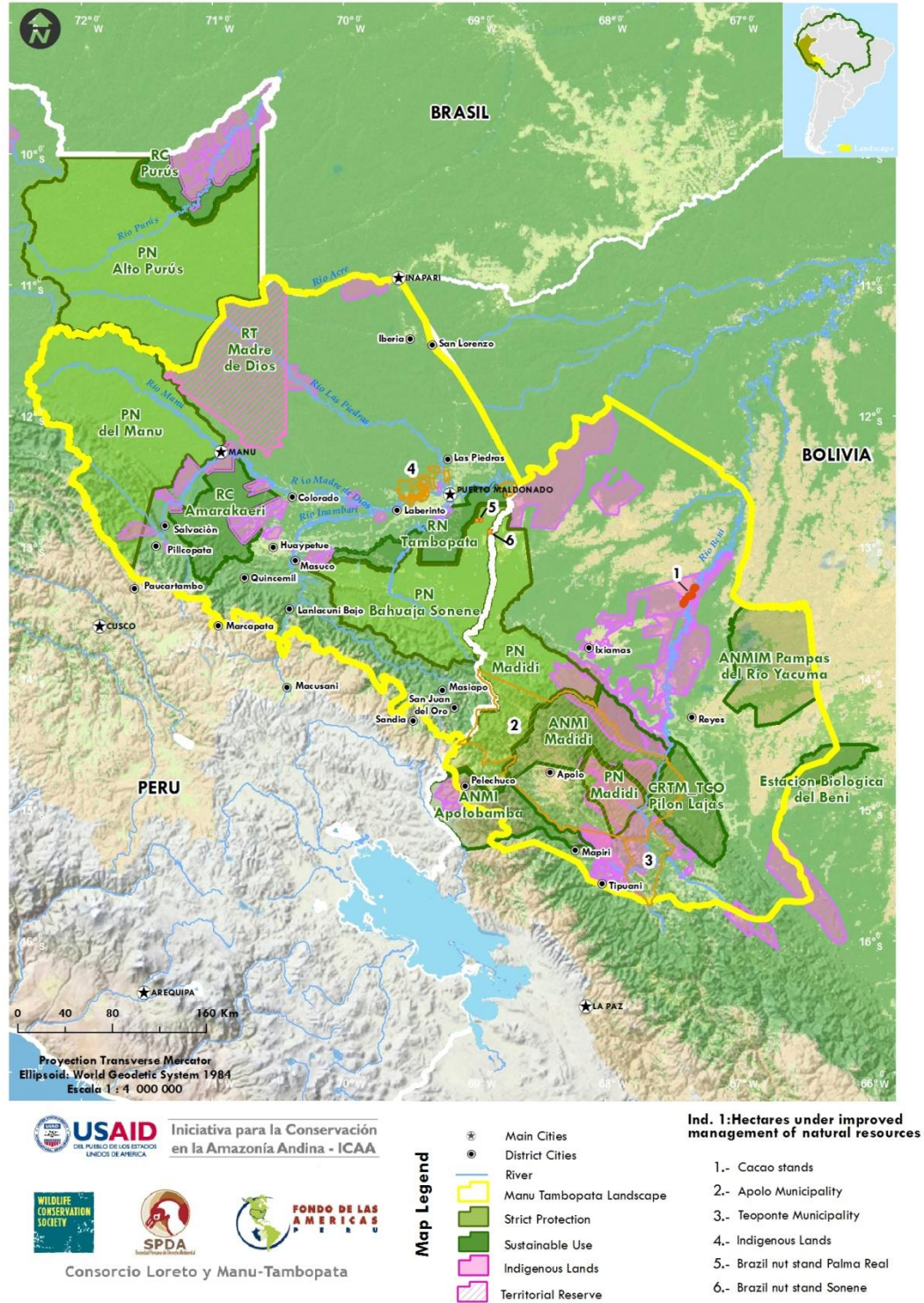
Consorcio Loreto y Manu-Tambopata

Map Legend

- ★ Main Cities
- District Cities
- River
- Madidi Manu Landscape
- Strict Protection
- Sustainable Use
- Territorial Reserve
- Indigenous Lands
- International Boundary

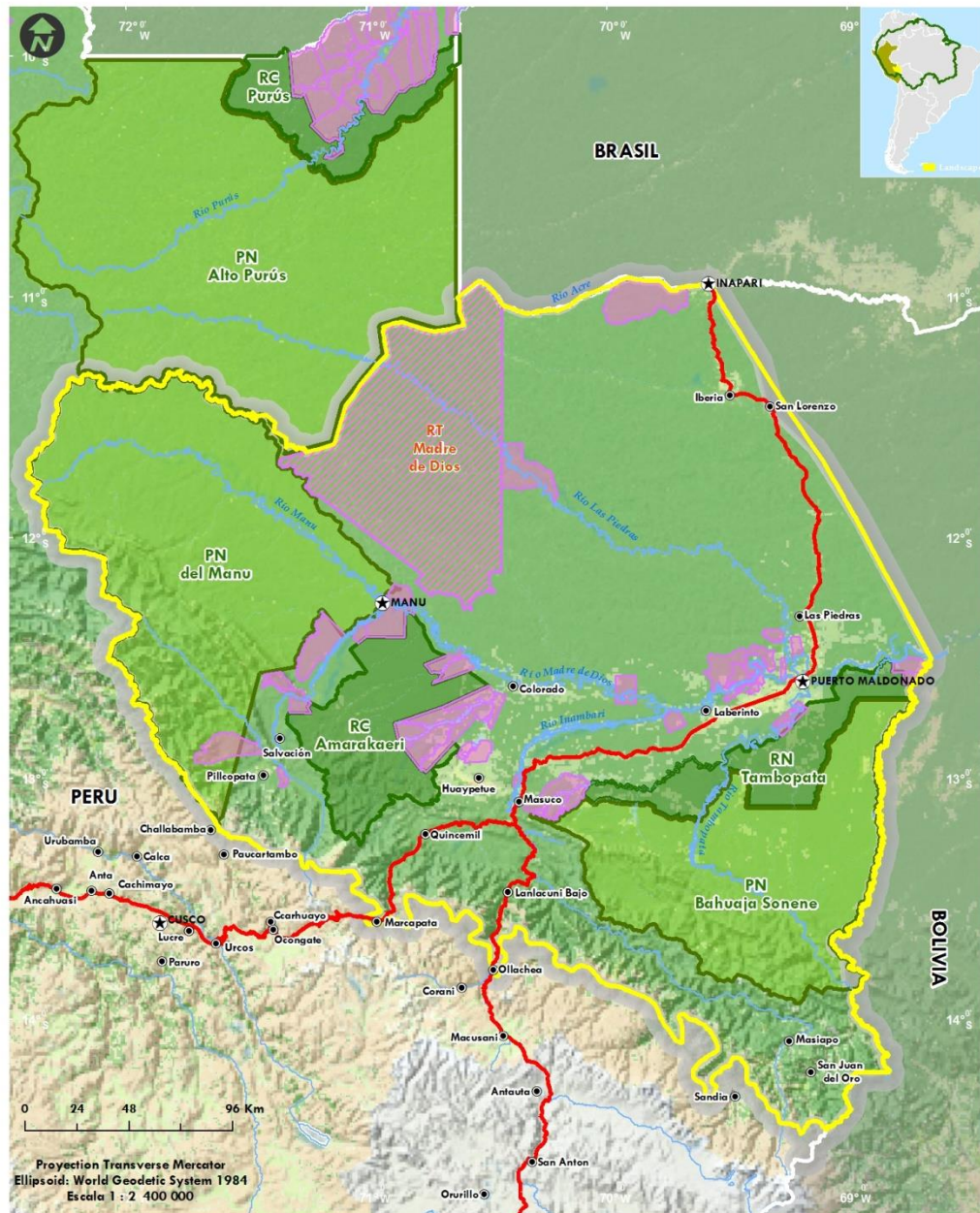
Map4. The Madidi-Manu Landscape with Indicator 1

MADIDI MANU LANDSCAPE - FY13 REPORTED AREAS (IND. 1)



Map5. The Manu-Tambopata Landscape

MANU TAMBOPATA LANDSCAPE



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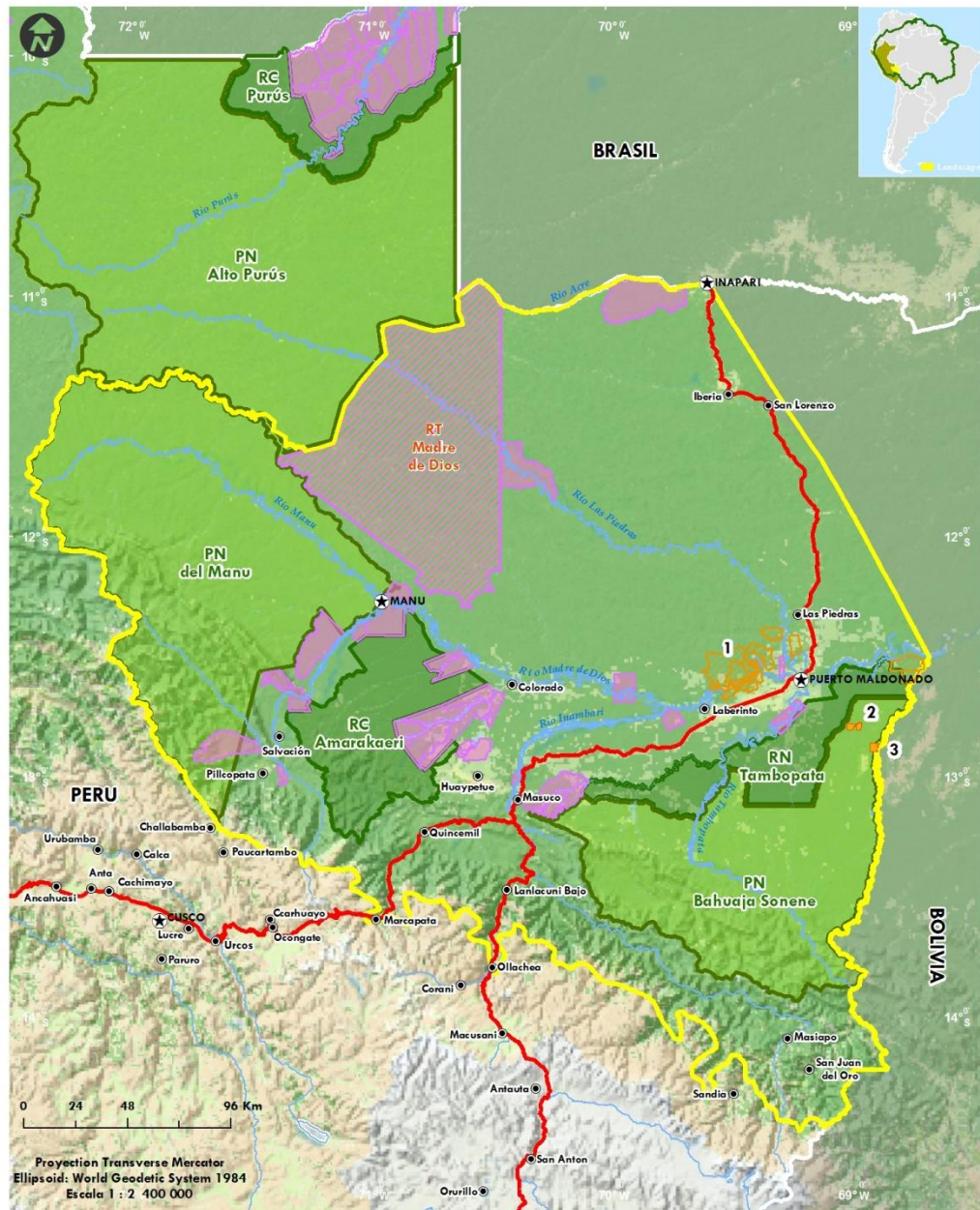
Consorcio Loreto y Manu-Tambopata

Map Legend

- ★ Main Cities
- District Cities
- River
- Inter-oceanic Road
- Manu Tambopata Landscape
- Strict Protection
- Sustainable Use
- Territorial Reserve
- Indigenous Lands
- International Boundary

Map6. The Manu-Tambopata Landscape with Indicator 1

MANU TAMBOPATA LANDSCAPE- FY13 REPORTED AREAS(IND.1)



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WILDLIFE CONSERVATION SOCIETY

SPDA

FONDO DE LAS AMÉRICAS

Consorcio Loreto y Manu-Tambopata

Map Legend

- Main Cities
- District Cities
- River
- Interoceanic Road
- Manu Tambopata Landscape
- Strict Protection
- Sustainable Use
- Territorial Reserve

Ind. 1: Hectares under improved management of natural resources

- 1.- Indigenous Lands
- 2.- Brazil nut stand Palma Real
- 3.- Brazil nut stand Sonene